

Message Text

LIMITED OFFICIAL USE

PAGE 01 MEXICO 05339 250323Z

62

ACTION EB-11

INFO OCT-01 ARA-16 IO-14 ISO-00 SSO-00 NSCE-00 USIE-00

INRE-00 FEA-02 OMB-01 TAR-02 SP-03 SWF-02 AGR-20

AID-20 CIAE-00 COME-00 INR-10 LAB-06 NSAE-00 OIC-04

RSC-01 SIL-01 STR-08 CIEP-02 CEA-02 SS-20 NSC-07

PRS-01 PA-04 L-03 SCI-06 INT-08 DLOS-07 DRC-01 /183 W

----- 012541

O R 250248Z JUN 74

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC IMMEDIATE 2401

DEPT OF TREASURY PRIORITY

INFO USMISSION USUN NEW YORK

USMISSION GENEVA

LIMITED OFFICIAL USE MEXICO 5339

TREASURY PASS BRADFIELD

E.O. 11652: N/A

TAGS: EGEN, UNCTAD

SUBJECT: UNCTAD CHARTER OF ECONOMIC RIGHTS AND DUTIES

1. CAULFIELD (UN SECRETARIAT), WHO IS PRESIDING OVER CASTANEDA NEGOTIATING GROUP IN LATTER'S ABSENCE, CIRCULATED FOLLOWING UNATTRIBUTED TEXT AS POSSIBLE BASIS FOR COMPROMISE EVENING OF JUNE 24. COMMENTS INVITED JUNE 25.

2. QUOTE 1) EVERY STATE HAS FULL PERMANENT SOVEREIGNTY OVER THE NATURAL RESOURCES WITHIN ITS NATIONAL JURISDICTION, WHETHER ON LAND, IN THE SEA, SEA-BED OR SUB-SOIL THEREOF, AND CONSEQUENTLY HAS THE INALIENABLE RIGHT, SUBJECT TO THE PERFORMANCE OF ITS INTERNATIONAL COMMITMENTS, TO THE FULL EXERCISE OF ITS SOVEREIGNTY FREELY AND EFFECTIVELY TO DISPOSE OF THEM.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MEXICO 05339 250323Z

2) THIS RIGHT INCLUDES THE RIGHT TO NATIONALIZATION AS AN EXPRESSION OF ITS SOVEREIGNTY.

3) EVERY STATE HAS THE RIGHT TO REGULATE AND CONTROL FOREIGN INVESTMENT WITHIN ITS NATIONAL JURISDICTION IN ACCORDANCE WITH ITS LAWS AND REGULATIONS AND IN CONFORMITY WITH ITS DEVELOPMENT OBJECTIVES AND PRIORITIES, AND ITS INTERNATIONAL COMMITMENTS. NO STATE SHALL BE REQUIRED TO GRANT PRIVILEGED TREATMENT TO FOREIGN INVESTORS; EVERY STATE SHALL TREAT FOREIGN INVESTORS EQUALLY REGARDLESS OF THEIR NATIONALITY.

4) EVERY STATE HAS THE RIGHT TO REGULATE AND SUPERVISE THE ACTIVITIES OF TRANSNATIONAL CORPORATIONS WITHIN ITS NATIONAL JURISDICTION AND TO TAKE MEASURES TO ENSURE THAT SUCH ACTIVITIES COMPLY FULLY WITH ITS LAWS, RULES AND REGULATIONS, CONFORM WITH ITS NATIONAL, ECONOMIC AND SOCIAL POLICIES AND REFRAIN FROM ANY INTERVENTION IN ITS INTERNAL AFFAIRS. EVERY STATE SHALL ENSURE THAT TRANSNATIONAL CORPORATIONS ENJOY WITHIN ITS NATIONAL JURISDICTION THE SAME RIGHTS AND FULFILL THE SAME OBLIGATIONS AS ANY OTHER FOREIGN PERSON. ALL STATES SHOULD COOPERATE IN GOOD FAITH WITH RESPECT TO THE APPLICATION OF THEIR LAWS TO TRANSNATIONAL CORPORATIONS.

5) THE EXERCISE OF THE RIGHT TO NATIONALIZATION REFERRED TO IN (2) ABOVE, IN RELATION TO THE MATTER OF PAYMENT OF COMPENSATION TO THE FOREIGN INTEREST CONCERNED, SHALL BE IN ACCORDANCE WITH THE DOMESTIC LAW OF THE NATIONALIZING STATE AND WITH INTERNATIONAL LAW AS PROGRESSIVELY DEVELOPED FROM TIME TO TIME BY THE INTERNATIONAL COMMUNITY.

6) IN CASES WHERE NO SOLUTION ON THE QUESTION OF COMPENSATION HAS BEEN ARRIVED AT, RECOURSE WILL BE HAD TO THE NATIONAL JURISDICTION OF THE NATIONALIZING STATE, UNLESS THERE IS AGREEMENT ON THE INTERNATIONAL LEVEL TO SEEK A SETTLEMENT THROUGH OTHER PEACEFUL MEANS ON THE BASIS OF THE SOVEREIGN EQUALITY OF STATES AND IN ACCORDANCE WITH THE PRINCIPLE OF FREE CHOICE OF MEANS.

GENERAL PROVISION ELSEWHERE IN THE CHARTER:
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MEXICO 05339 250323Z

NO STATE MAY USE OR ENCOURAGE THE USE OF ECONOMIC, POLITICAL OR ANY OTHER TYPE OF MEASURES TO COERCE ANOTHER STATE IN ORDER TO OBTAIN FROM IT THE SUBORDINATION OF THE EXERCISE OF ITS SOVEREIGN RIGHTS, IN PARTICULAR THOSE RIGHTS REFERRED TO IN PARAGRAPH(S) 1/ OF THIS CHARTER OR TO SECURE FROM IT ADVANTAGES OF ANY KIND. UNQUOTE

1/ HERE INSERT REFERENCE TO APPROPRIATE PARAGRAPH(S).

3. WE SEE FOLLOWING PROBLEMS WITH FOREGOING. (A) IN
PARA 1, "COMMITMENTS" WOULD HAVE TO READ "OBLIGATIONS".
(B) IN PARA 3, IBID; AND WE CANNOT ACCEPT PASSAGE ABOUT
PRIVILEGED TREATMENT. (C) IN PARA 6, WE COULD NOT ACCEPT
"AGREEMENT ON THE INTERNATIONAL LEVEL". (D) IN GENERAL
PROVISION, WE COULD NOT ACCEPT REFERENCE BACK TO ARTICLES
ON RIGHTS OF PERMANENT SOVEREIGNTY. WE PLAN TO MAKE
THESE POINTS. JOVA

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SOVEREIGNTY, NATURAL RESOURCES, NATIONALIZATION, INTERNATIONAL ORGANIZATIONS, COMMITTEES, NEGOTIATIONS, ECONOMIC CONTROLS, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CollinP0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MEXICO05339
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740166-0260
From: MEXICO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740616/aaaaanmm.tel
Line Count: 125
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 18 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 JUN 2002 by kelleyw0>; APPROVED <24 FEB 2003 by CollinP0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNCTAD CHARTER OF ECONOMIC RIGHTS AND DUTIES
TAGS: EGEN, AORG, UNCTAD
To: STATE TRSY
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005